
APPENDIX D

Employee and Stakeholder Notification

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Department of Energy

Richland Operations Office

P.O. Box 550

Richland, Washington 99352

HANFORD WORK FORCE RESTRUCTURING PLAN

During the next several months, the Department of Energy's (DOE) Richland Operations Office (RL) and some of its major contractors will be undertaking a number of initiatives which will result in restructuring of contractor work forces on the Hanford Site. These initiatives are being taken to improve the cost effectiveness and efficiency of operations, and are not a result of funding reductions. Between 500 to 1000 jobs could be eliminated by these actions. RL will be consulting with workers and other stakeholders in the development of a work force restructuring plan aimed at mitigating the impact of these actions on the affected workers.

Initiatives that will lead to work force restructuring but which seek to reduce costs and help assure the economic viability of the Tri-Cities region include: privatization of site operations now being carried out by Hanford Site contractors; implementation of new contracting arrangements; a realignment of the Westinghouse Hanford Company (WHC) management structure; elimination of duplicative activities of WHC and its subcontractor, Kaiser Engineers Hanford Co., through the merger of some elements of their respective staffs; and, implementation of new business practices resulting from the Reinventing Government initiative and the Tri-Party Agreement cost initiative. A copy of the Privatization Agreement that was reached through dialogue between the Department and local and national union representatives is enclosed. In addition, some minimal work force restructuring actions may be necessary from time to time in the Pacific Northwest Laboratory because of changes in national priorities or tasking from program sponsors.

Section 3161 of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102-484) requires the Secretary of Energy to develop a work force restructuring plan in consultation with stakeholders to mitigate the impact on workers and communities of work force changes at the DOE's current or former defense nuclear facilities. Because of the actions identified above, the Richland Operations Office will consult with stakeholders in the preparation of a workforce restructuring plan for calendar year 1994. The plan will address initiatives to minimize involuntary lay-offs and to assist affected workers. These initiatives include separation incentives, retraining, outplacement support, preference in hiring for jobs at other DOE facilities, and relocation assistance. The plan will also address potential economic development opportunities which may help mitigate the impact of job losses on the local community.

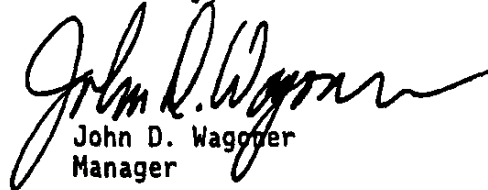
As a Hanford stakeholder, we would appreciate receiving your comments regarding the contents of a Hanford Work Force Restructuring Plan. To assist you in formulating your comments, a copy of the DOE's general work force restructuring planning guidelines, dated April 22, 1993, is enclosed. A similar invitation for comments has been sent to Hanford employees.

Please respond in writing by March 1, 1994. RL will then prepare a draft Workforce Restructuring Plan, giving full consideration to the requirements and objectives of Section 3161 and to your comments. We will provide that draft plan for further review and comment by those who wish to participate. Please indicate in your initial response if you wish to receive a copy of the draft plan. Your response should be addressed to:

Mr. Fred Rutt, Chief
Contractor Industrial Relations Branch
Richland Operations Office A1-55R
P. O. Box 550
Richland, WA 99352

We look forward to hearing from you.

Sincerely,



John D. Waggoner
Manager

Enclosures

ATTACHMENT 1

**NATIONAL DEFENSE AUTHORIZATION ACT
FOR FISCAL YEAR 1993
SUBTITLE E - DEFENSE NUCLEAR WORKERS**

**SEC. 3161. DEPARTMENT OF ENERGY DEFENSE NUCLEAR FACILITIES WORK FORCE
RESTRUCTURING PLAN**

- (a) **IN GENERAL.**- Upon determination that a change in the workforce at a defense nuclear facility is necessary, the Secretary of Energy (hereinafter in this subtitle referred to as the "Secretary") shall develop a plan for restructuring the work force for the defense nuclear facility that takes into account-

 - (1) the reconfiguration of the defense nuclear facility; and
 - (2) the plan for the nuclear weapons stockpile that is the most recently prepared plan at the time of the development of the plan referred to in this subsection.
- (b) **CONSULTATION.**-

 - (1) In developing a plan referred to in (a) and any update of the plan under subsection (e), the Secretary shall consult with the Secretary of Labor, appropriate representatives of local and national collective-bargaining units of individuals employed at Department of Energy defense nuclear facilities, appropriate representatives of departments and agencies of State and local governments, appropriate representatives of State and local institutions of higher education, and appropriate representatives of community groups in communities affected by the restructuring plan.
 - (2) The Secretary shall determine appropriate representatives of the units, governments, institutions, and groups referred to in paragraph (1).
- (c) **OBJECTIVES.**- In preparing the plan required under subsection (a), the Secretary shall be guided by the following objectives:

 - (1) Changes in the work force at a Department of Energy defense nuclear facility-
 - (A) should be accomplished so as to minimize social and economic impacts;
 - (B) should be made only after the provision of notice of such changes not later than 120 days before the commencement of such changes to such employees and the communities in which such facilities are located; and
 - (C) should be accomplished, when possible, through the use of retraining, early retirement, attrition, and other options that minimize layoffs.

- (2) Employees whose employment in positions at such facilities is terminated shall, to the extent practicable, receive preference in hiring of the Department of Energy [consistent with applicable employment seniority plans or practices of the Department of Energy and with section 3152 of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101-89; 103 Stat. 1682)].
- (3) Employees shall, to the extent practicable, be retrained for work in environmental restoration and waste management activities at such facilities or other facilities of the Department of Energy.
- (4) The Department of Energy should provide relocation assistance to employees who are transferred to other Department of Energy facilities as a result of the plan.
- (5) The Department of Energy should assist terminated employees in obtaining appropriate retraining, education, and reemployment assistance (including employment placement assistance).
- (6) The Department of Energy should provide local impact assistance to communities that are affected by the restructuring plan and coordinate the provision of such assistance with-
 - (A) programs carried out by the Department of Labor pursuant to the Job Training Partnership Act (29 U.S.C. 1501 et seq.);
 - (B) programs carried out pursuant to the Defense Economic Adjustment, Diversification, Conversion, and Stabilization Act of 1990 (Part D of Public Law 101-510; 10 U.S.C. 2391 note); and
 - (C) programs carried out by the Department of Commerce pursuant to title IX of the Public Works and Economic Development Act of 1965 (42 U.S.C. 3241 et seq.).
- (d) IMPLEMENTATION.- The Secretary shall, subject to the availability of appropriations for such purpose, work on an ongoing basis with representatives of the Department of labor, work force bargaining units, and States and local communities in carrying out a plan required under subsection (a).
- (e) PLAN UPDATES.- Not later than one year after issuing a plan referred to in subsection (a) and on an annual basis thereafter, the Secretary shall issue an update of the plan. Each updated plan under this subsection shall-
 - (1) be guided by the objectives referred to in subsection (c), taking into account any changes in the function or mission of the Department of Energy defense nuclear facilities and any other changes in circumstances that the Secretary determines to be relevant;

- (2) contain an evaluation by the Secretary of the implementation of the plan during the year preceding the report; and
- (3) contain such other information, and provide for such other matters as the Secretary determines to be relevant.

(f) SUBMITTAL TO CONGRESS.-

- (1) The Secretary shall submit to Congress a plan referred to in subsection (a) with respect to a defense nuclear facility within 90 days after the date on which a notice of changes described in subsection (c)(1)(B) is provided to employees of the facility, or 90 days after the date of the enactment of this Act, whichever is later.
- (2) The Secretary shall submit to Congress any updates of the plan under subsection (e) immediately upon completion of any such update.

ATTACHMENT 2

GENERAL PLANNING GUIDELINES FOR WORK FORCE RESTRUCTURING

BACKGROUND

The National Defense Authorization Act for Fiscal Year 1993 (the Act), enacted into law on October 23, 1992 (Public Law 102-484), includes a requirement under Section 3161 for the Secretary of Energy to develop a plan for restructuring the work force for a defense nuclear facility, taking into account reconfiguration and the most recent nuclear weapons stockpile plan, whenever there is a determination that a change in the work force is necessary. The Act provides specific objectives to guide the preparation of a plan to minimize the impact on workers, to include retirement incentives, retraining, preference in hiring at other facilities, relocation assistance, and consultation with various government and non-government groups. A plan is due to the Congress within 90 days of notification to affected workers of a restructuring action; and the notification should occur 120 days in advance of the restructuring.

The following stakeholders are affected by, or involved in, either the planning or implementation of the legislative objectives: Departmental Headquarters and Operations Offices; Management and Operating contractors, and other prime contractors and subcontractors at Department of Energy sites; the workers for these contractors; the bargaining representatives for these workers; other Federal Government agencies, particularly the Department of Labor, Commerce and Defense; State and local governments; community groups; and institutions of higher education.

A task force of Defense Programs, Environmental Restoration and Waste Management, Contractor Human Resource Program, General Counsel, and Operations Office representatives has been considering the implication of Section 3161. Several operations offices have requested Headquarters guidance on what elements should be contained in a work force restructuring plan. It is the view of the task force that the operations offices, in consultation with the appropriate stakeholders, are in a better position to understand the needs unique to a particular work force restructuring. Accordingly, the following is offered in a general sense only, and should not be regarded as all inclusive or exclusionary.

1. Section 3163 of the Act provides definitions that apply to section 3161: the term "DOE employee" means any employee of the Department of Energy employed at Department of Energy defense nuclear facility, including any employee of a contractor or subcontractor of the Department of Energy employed at such a facility. As a general matter, offering all benefits to all prime contractor and subcontractor employees may not be appropriate. Typically, non-Management and Operating contractors and subcontractors are brought to Department of Energy sites for short-term and specific specialized activities and released when the job is completed. In some cases, however, non-Management and Operating contractor and subcontractor employees may have worked several years at a Department of Energy facility. Each operations office should evaluate its particular site subcontractor relationships and submit plans accordingly.

2. An objective of the section is to provide 120 day notification before commencement of work force changes. The Act does not provide specific guidance on what constitutes notification. Notification could be a broad announcement to the employees and the community that work force changes at the location are required. If the notification is a broad announcement, specific individual notifications should come later, after careful consideration is given to all possible actions to minimize impacts to workers. If layoffs are required and fall under the provisions of the Worker Adjustment and Retraining Notification Act, employees must be given 60 days layoff notice.
3. The section cites that, "to the extent practicable," affected employees shall receive preference in any hiring of the Department of Energy. To implement this, the task force proposes that all Department of Energy Management and Operating contractors be directed to review resumes of interested Management and Operating contractor displaced workers and give these displaced workers priority consideration before hiring other off-site applicants. In addition, the Office of Contractor Human Resource Program in the Office of Procurement, Assistance and Program Management will develop a process for resume exchange and will work with the operations offices to implement this process.
4. An objective of the section is that the Department of Energy should provide relocation assistance to employees who transfer to other Department of Energy facilities as a result of the plan. In general, a Management and Operating contractor which hires a displaced employee may choose to follow its normal practice of paying relocation costs. A work force restructuring plan could make other accommodations, however, consistent with applicable requirements.
5. Since no funding was specifically appropriated for the Department of Energy to implement Section 3161 in Fiscal Year 1993, and limited funds have been identified in the Fiscal Year 1994 budget, certain budget responsibilities need to be assigned. At present, the task force proposes that funding the implementation of the section be the responsibility of the program that funds the activity subject to the work force restructuring, with the exception of specific retraining into certain jobs, e.g., environmental and waste management activities, where the program that will gain the services of the employee should pay for the retraining. Other common support efforts, where several programs will benefit from the effort, could be cost-shared on mutually agreeable terms. In addition to Departmental funding, the Department is looking into other potential funding sources that could support work force restructuring initiatives, including those available through the Job Training Partnership Act at the Department of Labor, the Economic Development Agency at the Department of Commerce, and the Office of Economic Adjustment at the Department of Defense.

6. A significant policy issue related to the implementation of the requirements of Section 3161 is the potential development of two classes of displaced workers ("defense" and "nondefense" employees) at the same site or even within the same Management and Operating contract, which also may be covered by the same bargaining agreement. This could result because section 3161 requires the Department to prepare restructuring plans only with respect to changes in work forces at a defense nuclear facility. The Secretary believes, however, that the objectives of Section 3161 be applied Department-wide for all Management and Operating contractors, regardless of program funding source.
7. It currently appears that almost every defense nuclear facility site may have significant work force changes as a result of the Fiscal Year 1994 budget. If the Department finds during initial implementation of Section 3161 that some of our sites expect only small work force changes, we may seek Congressional approval to establish an annual threshold of work force change that would require submittal of a plan to Congress. In implementing the objectives of the legislation for nondefense nuclear facilities, the task force proposes establishing a threshold of annual site-wide staff impacts that exceed 250 employees.



Department of Energy

Richland Operations Office

P.O. Box 550

Richland, Washington 99352

Community/Hanford Stakeholders (To be addressed individually)

Dear _____

DRAFT HANFORD WORK FORCE RESTRUCTURING PLAN

As I announced on February 14/15, 1994, the Department of Energy's (DOE) Richland Operations Office (RL) and some of its major contractors will be undertaking a number of initiatives which will result in the restructuring of contractor workforces on the Hanford Site. This announcement detailed the requirements of Section 3161 of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102-484) which requires the Secretary of Energy to develop a Work Force Restructuring Plan in consultation with stakeholders to mitigate the impact on workers and communities of work force changes at the DOE's current or former defense nuclear facilities.

In response to this announcement and call for input from stakeholders regarding the contents of a restructuring plan, RL received over 100 comments and suggestions from the community and workers on the Hanford Site. These comments were fully considered along with the requirements and objectives of Section 3161 in the development of a draft Work Force Restructuring Plan.

The resulting draft of RL's Work Force Restructuring Plan is now being distributed for further stakeholder review and comment (copy enclosed). Copies of the draft Plan are also being made available for review at multiple locations, including city halls, educational institutions, public libraries, and on the Hanford Site.

This draft Plan may need to be revised in the near term to incorporate anticipated policy guidance from DOE-Headquarters (HQ) on implementation of Section 3161 requirements. However, we believe this draft Plan closely mirrors what the policy will require.

Responses should be submitted in writing by August 31, 1994. RL is very much interested in obtaining the views of its stakeholders on the draft Plan. Accordingly, "interactive style" public involvement workshops are being planned to orient the community and stakeholders regarding the provisions of the draft Plan and to openly solicit their views and assistance in developing the final Plan. Comments resulting from these sessions will be considered along with all written comments received. The location and dates of these workshops will be announced in the near future.

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RL will then prepare a final draft Work Force Restructuring Plan which will be submitted to DOE-HQ for approval. Written comments should be addressed to:

Mr. Dominic Sansotta, Acting Chief
Contractor Industrial Relations Branch
Richland Operations Office A1-55R
P. O. Box 550
Richland, WA 99352

We look forward to receiving your comments.

Sincerely,

John D. Wagoner
Manager

Enclosure

DOE

NEWS

FOR IMMEDIATE RELEASE
July 28, 1994

DRAFT WORK FORCE RESTRUCTURING PLAN RELEASED FOR PUBLIC REVIEW

The Department of Energy's Richland Operations Office has released its draft Work Force Restructuring Plan for public review and comment. The draft plan is designed to assist the Department in mitigating the impact of work force changes on workers and the community.

The Department announced in February 1994 to all Hanford employees and the public that a number of initiatives to improve efficiency and reduce costs associated with the cleanup of the Hanford Site would likely result in the reduction of a portion of some of its major contractor work forces. At that time, public input was solicited for the development of a work force restructuring plan. The draft plan is a result of that employee and public input.

The draft plan details specific actions the Department would implement to ease the impacts of job losses at Hanford. Key elements of the draft plan include: training and education assistance, outplacement assistance, extended medical benefits, separation incentive programs, preference in hiring, and community impact assistance.

Employees at Hanford and the public are encouraged to review the document and provide comments on the draft plan to the Department by August 31, 1994. The draft plan is being placed in a variety of public locations for review (locations listed on the following pages). One or more public workshops are being planned to provide employees, the community and other interested members of the public an opportunity to ask questions and develop comments. Dates, locations and times will be announced later.

Comments on the draft plan may be submitted in writing by August 31, 1994, to:

Mr. Dominic Sansotta, Acting Chief
Contractor Industrial Relations Branch
Richland Operations Office
P. O. Box 550 A1-55R
Richland, WA 99352

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MEDIA CONTACT: Mike Talbot, Office of Communications, (509) 376-7501
RL-94-190

**DRAFT WORK FORCE RESTRUCTURING PLAN
COMMUNITY DISTRIBUTION LIST**

Washington State City Halls:

Benton City
709 Ninth St.
Benton City, WA 99320
588-3322

Grandview City Hall
207 W. 2nd St.
Grandview, WA 98930
882-9200

Kennewick City Hall
210 W. 6th Ave.
Kennewick, WA 99336
596-4181

Pasco City Hall
412 W. Clark
Pasco, WA 99301
545-3402

Prosser City Superintendent
601 7th
Prosser, WA 99350
786-3831

Richland City Hall
505 Swift Blvd.
Richland, WA 99352
943-9161

Sunnyside City Manager
818 E. Edison
Sunnyside, WA 98944
837-3997

Toppenish City Manager
21 West 1st Ave.
Toppenish, WA 98948
865-5000

Walla Walla City Hall
15 N. 3rd
Walla Walla, WA 99362
527-4522

Washington Libraries:

Mid-Columbia Library Benton City Branch
708 Ninth St.
Benton City, WA 99320
588-6471

Bleyhl Community Library
311 Division
Grandview, WA 98930
882-9217

Mid-Columbia Library Kennewick Branch
405 S. Dayton St.
Kennewick, WA 99336
586-3156

Mid-Columbia Library Pasco Branch
1320 W. Hopkins
Pasco, WA 99301
545-1019

Prosser City Library
902 7th
Prosser, WA 99350
786-2533

Richland Public Library
955 Northgate Dr.
Richland, WA 99352
943-7454

Sunnyside Library
621 Grant Ave.
Sunnyside, WA 98944
837-3234

Mary L. Goodrich Library
1 S. Elm
Toppenish, WA 98948
865-3600

Walla Walla Library
238 E. Alder
Walla Walla, WA 99362
527-4550

Washington State City Halls:

West Richland City Hall
3805 W. Van Giesen St.
West Richland, WA 99352
967-3431

Yakima City Hall
129 N. 2nd Street
Yakima, WA 98901
575-6040

Zillah City Hall
111 7th
Zillah, WA 98953
829-5151

Oregon State City Halls:

Hermiston City Hall
180 N.E. 2nd.
Hermiston, OR 97838
567-5521

Umatilla City Hall
912 6th
Umatilla, OR 97882

Educational Institutions:

Columbia Basin College Library
2600 N. 20th St.
Pasco, WA 99301
547-0511

Washington State University
Tri-Cities Library
100 Sprout Rd.
Richland, WA 99352
375-9200

Yakima Valley Community College Library
1615 S. 16th Ave. (16th and Nob Hill)
Yakima, WA 98902
P. O. Box 1647
Yakima, WA 98907-1647
575-2375

Washington Libraries:

Mid-Columbia Library
West Richland Branch
5456 W. Van Giesen St.
West Richland, WA 99352
967-3191

Yakima Valley Regional Library
102 N. 3rd Street
Yakima, WA 98901
542-8541

Zillah Library
109 7th
Zillah, WA 98953
829-6707

Oregon Libraries:

Hermiston Library
235 E. Gladys Ave.
Hermiston, OR 97838
567-3694

Umatilla Library
910 6th
Umatilla, OR 97882

Other Washington Libraries:

Spokane Public Library
906 W. Main Ave.
Spokane, WA 99201
509-626-5336

Seattle Public Library - Downtown
Magazines, Newspapers, and
Government Publications
1000 4th Ave.
Seattle, WA 98104
206-386-4636

Multnomah County Library
Science and Business
801 SW 10th
Portland, OR 97205

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